

Washington, DC -- On Monday, Congressman Joe Sestak (PA-7), a former 3-Star Admiral, released the following statement on President Bush's budget and Supplemental Appropriations request:

"Although, we only just received the President's budget, an initial overview shows that while the President claims to have proposed a budget that is fiscally responsible and will balance the budget by 2012, the reality is that it fails to account for likely war costs, to address the Alternative Minimum Tax-among other items-while making unrealistic assumptions about revenue growth. It is not the path of a 'pay-as-you-go' government.

"The President's FY2008 budget also makes deep cuts to vital, mandatory spending programs, such as Medicare (\$250 million) and Medicaid (\$29 million), to pay for the largest defense expenditures in history while fostering the largest deficits in history."

Additionally, areas of concern to Congressman Sestak, include:

- The President's budget freezes funding for vital college programs like federal work study and Supplemental Opportunity Grants (SEOG), which helped students throughout my district and across the state afford college. Tuition has gone up 58 percent since 2001 at Pennsylvania's flagship state universities. There are over 30,000 students enrolled in college or graduate school in Pennsylvania's Seventh Congressional District.
- The President's health care proposal does not address rising health care premiums that have skyrocketed since 2000, establishes a new health insurance tax on middle class families, and discourages traditional employer-sponsored health insurance, which covers 7 million Pennsylvania workers and their families.
- The President's budget also cuts Medicare and Medicaid and other vital programs for Pennsylvania's 2.1 million Medicare patients' by \$78 billion. The President's budget, seniors would have to pay higher premiums for their prescription drugs and doctors' services.

- The President's budget cuts Pennsylvania's Community Development Block Grant Program (CDBG) by \$65.9 million from its 2006 funding level. This will negatively impact Pennsylvania's cities, counties, and local communities who utilize this key funding to create jobs and increase economic development and small business opportunities as well as expand home ownership.
- The President's budget under-funds by \$10 billion the federal contribution to the State Children's Health Insurance Program (SCHIP), a program which is critical to raising healthy and economically secure children and adding to Pennsylvania's nearly 281,000 uninsured kids.
- The President's budget does not adequately fund the health care needs of Pennsylvania's 1.1 million veterans and our troops returning from Iraq and Afghanistan.

"With regard to the President proposed budget for defense spending, I was happy to see that the War Budget Request for FY '08 will go through the full appropriations and authorization process," continued Joe.

"In a war that has gone on for four years, we should be able to have funding go through the regular budget process in order to have the proper scrutiny of both the authorization and the appropriations processes. That's why I am happy to see for the first time that the President submitted, for a full fiscal year, a war budget, that will go through the full authorizations' and appropriations' process, rather than submitting it as a supplemental as he has in the past.

"Additionally, we need to provide what is needed for the national defense. That said, one of the tragedies of the Iraq war is that it has prevented the Defense Department from undergoing the necessary transformation of our armed forces that Secretary Rumsfeld had planned to undertake prior to the war. This transformation is one where our armed forces would be increasingly based upon capability not capacity, and is one that would be able to exploit the great capability of Command, Control, Communications, Computers, Intelligence, Surveillance and Reconnaissance (C4ISR). I intend to review this budget to the extent this needed transformation has been undertaken.

"Furthermore, I was also pleased to see that the funding for the Chinook is expanding and remains healthy. This shows that the Chinook continues to be a key aircraft in our efforts to

address regional challenges and the Global War on Terror. In regard to the funding for the V-22, FY 2008 will see an increase in the number of aircraft in this budget from what was planned last year, which is what we would expect from a platform with such transformational capabilities as the Osprey.

"We will also be zeroing-in, in the days to come, on other needed programs in our district's efforts to support national defense, such as Lockheed Martin's integrated systems and solutions programs at their Valley Forge facilities, and we will work to address program needs in the future."

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*Born and raised in Delaware County, former 3-star Admiral Joe Sestak served in the Navy for 31 years and now serves as the Representative from the 7th District of Pennsylvania. He led a series of operational commands at sea, including Commander of an aircraft carrier battle group of 30 U.S. and allied ships with over 15,000 sailors and 100 aircraft that conducted operations in Afghanistan and Iraq. After 9/11, Joe was the first Director of "Deep Blue," the Navy's anti-terrorism unit that established strategic and operations policies for the "Global War on Terrorism." He served as President Clinton's Director for Defense Policy at the National Security Council in the White House, and holds a Ph.D. in Political Economy and Government from Harvard University. According to the office of the House Historian, Joe is the highest-ranking former military officer ever to serve in the U.S. House of Representatives.*